VZCZCXRO8905 OO RUEHAST RUEHBI RUEHCI RUEHLH RUEHNEH RUEHPW DE RUEHNE #0108/01 0161307 ZNR UUUUU ZZH O 161307Z JAN 09 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 5091 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 7321 RUEHLO/AMEMBASSY LONDON 5834 RUEHMO/AMEMBASSY MOSCOW 3039 RUEHUL/AMEMBASSY SEOUL 1469 RUEHKO/AMEMBASSY TOKYO 6045 RUEKJCS/SECDEF WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 7502 RUEHGV/USMISSION GENEVA 8080 RUEKJCS/JOINT STAFF WASHDC

UNCLAS SECTION 01 OF 02 NEW DELHI 000108

SENSITIVE SIPDIS

DEPARTMENT FOR SCA/INS

E.O. 12958: N/A

TAGS: PGOV PREL SOCI PINR KISL IN

SUBJECT: MAYAWATI CANCELS BIRTHDAY PARTY, CASH GIFTS STILL WELCOME

11. (SBU) Summary: Uttar Pradesh Chief Minister and Bahujan Samaj Party (BSP) leader Mayawati canceled her January 15 birthday party ostensibly because of the Mumbai attacks. previous years, the now fifty-three year old Mayawati threw multiple lavish parties for herself that were noteworthy for the large number of cash "donations" from sycophantic party members, civil servants and business people. But the December 2008 murder of a district engineer by a BSP legislator during a collection shakedown for Mayawati's birthday "gift" forced the BSP leader to tone down her celebration. Instead, at a short ceremony she announced a budget-busting series of welfare programs and public works projects totaling hundreds of millions of dollars. While the more or less open extortion-cum-donation fundraising of the BSP remains a standard facet of UP politics, Mayawati's decision to have a low-key birthday was probably a wise move. She still quietly collected millions of dollars, but stepped back from a possible corruption tipping point beyond which she may have seen erosion of her Dalit base. The brazen December extortion murder (Mayawati naturally denies it was linked to birthday fundraising) demonstrates the nature of UP politics, and provided her arch UP rival, the Samajwadi Party, plenty of ammunition to protest her rule and rally its troops ahead of national elections, due this April-May. End Summary.

Fundraising Birthdays

12. (U) In past years, Mayawati celebrated her January 15 birthday with large parties in Lucknow and Delhi. Ranking party officials vied for a chance to feed Mayawati a piece of her birthday cake. The BSP terms the day "fundraising day," and party members make donations to Mayawati directly, often tens of thousands of dollars apiece. With the BSP enjoying a full majority in the UP assembly, party legislators can rely on generous donations from cowering civil servants, fearful of demotion or transfer, and local business people, who must deal with the state government on a daily basis.

Extortion Turns Deadly

legislator Shekhar Tiwari visited district engineer M.K. Gupta and demanded tribute for Mayawati's birthday. Gupta either refused, or hadn't raised the funds himself, and was tortured and killed in his home by Tiwari and two cronies. Gupta's wife, who was shut in a bathroom by the assailant, heard her husband's pleas for mercy as Tiwari and his friends worked over Gupta thoroughly. They then dumped Gupta's body at the nearest police station. Authorities arrested Tiwari though he claims innocence. The investigation is ongoing. Mayawati denies the killing was related to her birthday fundraising. Regardless, the scandal sheds light on the corrupt nature of UP politics.

Low Key for Fifty-Three

¶4. (U) With the alleged linkage of the Gupta murder to extortion for Mayawati's birthday, the opposition Samajwadi Party (SP) ensured the scandal remained in the news. Since the story broke, SP leaders Mulayam Singh Yadav and Amar Singh have repeatedly called for the Chief Minister's dismissal and SP cadres have staged numerous street protests. Clearly feeling more heat than ususal, Mayawati canceled her public birthday parties. That does not mean, however, she canceled the fundraising. In a short ceremony at her residence, she tried to change the subject with the announcement of several new social programs. The two largest provide for the regularization of urban slum dwellings and USD 500 payments to economically disadvantaged girls who complete high school. With an eye towards the coming

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national polls, Mayawati made sure to emphasize that these programs reward all castes, not just Dalits.

UP Politics Exposed, Mayawati Remains Focused on Delhi

15. (SBU) Comment: While political corruption in UP shocks few, the alleged murder of M.K. Gupta by a sitting member of the state assembly exhibits a new brutality. Even Mayawati - a first rate egomaniac - felt compelled to cancel her birthday party on perhaps her favorite day of the year when the sycophantic fealty of BSP party members reaches its apex. Politically, the cancellation decision was probably a good idea, and no leader has ever been hurt handing out sops to voters. So the BSP did not celebrate "fundraising day," but plenty of funds were still raised. They will be put to use as Mayawati attempts to shore up her image over the next four months before national elections in April and May. This latest scandal has likely not dimmed her view of her chances, or her desire, to become Prime Minister. End Comment.